Workbook 175-176, 183, 187-188

1. $20,000
2. Oligopoly and monopolistic competition
3. Have at least 1 fixed input
4. 11
5. 8
6. $4,000 | $2500 | $500
7. 25
8. 90
9. 30
10. 3rd worker
11. 15 | Variable 10 | Average Fixed 5 | Total Cost $1125 | TVC $7.50 | TFC $3.75
12. AFC $3 | Total Cost $1750 | TVC $1375 | TFC $375
13. C
14. A
15. C
16. D
17. $5
18. A
19. C
20. C
21. $1.50
22. $0.35
23. Pure Monopoly
    1. Sole seller of a product to which there are no clue substitutes
    2. Characteristics
       1. One seller
       2. No close substitutes
       3. Price maker
       4. Significant barriers of entry
    3. Monopolistic Demand. MR = Delta TR/Delta Q

|  |  |  |  |
| --- | --- | --- | --- |
| P | Q | TR | MR |
| 10 | 0 | - |  |
| 9 | 1 | 9 | 9 |
| 8 | 2 | 16 | 7 |
| 7 | 3 | 21 | 5 |
| 6 | 4 | 24 | 3 |
| 5 | 5 | 25 | 1 |
| 4 | 6 | 24 | -1 |